GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1623
ANSWERED ON:23.08.2007
PRICES OF MEDICINES
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Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the mechanism in place to regulate/ control the prices of various categories of medicines ;

(b) the details for each category thereof;

(c) the steps taken / proposed to ensure that the selling price of a medicine is not exorbitant when compared with its intrinsic value; and;

(d) the steps taken by the Government to ensure that the medicines which are to be taken life long are priced reasonably and the manufacturing / traders do not indulge in undue profiteering?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI B.K. HANDIQUE)

(a) to (d): The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed / revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. The price fixation/revision of the Scheduled Drugs and formulations is a continuous process under DPCO, 95. In case of any violation of the price fixed by NPPA, action for recovery of overcharged amount is taken by NPPA.

As part of its price monitoring activity, NPPA regularly examines the movement in prices of non-Scheduled formulations in accordance with certain internal guidelines. The monthly reports of ORG IMS and the information furnished by individual manufacturers are utilized for the purpose of monitoring prices of non-Scheduled formulations. Wherever abnormal price increase is noticed, necessary action is taken. The manufacturers are impressed upon to bring down the prices. This is an ongoing process.